

Estate Liquidation

The Power of Wills

By Patricia Kutza



he timing is never right: Your mother dies or your spouse files for divorce. No matter how much you may plan for these events, the shock and grief makes the myriad details related to dissolving property seem even more overwhelming.




bres-aftercare.net myriad details related to dissolving property seem even more overwhelming.

Zero planning, however, multiplies that stress. It's an unfortunate situation that both Kellaine Byrd and Yvonne Reed faced in recent years when their loved ones passed on without giving any advance directives about the distribution of their estates. Working against a very short deadline after her sister's death, Byrd felt that dealing with her limited resources while man-

aging her mental stress reduced her ability to make sound decisions.

Some guidance would have made a world of difference: "I would not have quickly disposed of many of the items. I may have opted instead to donate or liquidate her belongings."

Carmichael-based Sabbadini Appraisal Services' personal property appraiser Mandy Sabbadini says Byrd could have liquidated her sister's property by using the services of an auction house. This type of company  **sabbadinappraisals.com** typically uses state liquidators to orchestrate estate sales where the property is boxed, advertised and then sold to the public.

Families of the deceased might also opt to hold informal estate sales. Like any other sale, advertising in advance is the key to its success. Also, the estate contents should be taken into consideration, Sabbadini adds. If a large proportion of the property contains antiques or fine art, it would be more feasible to use the expertise of a major auction house to dispose of the items.

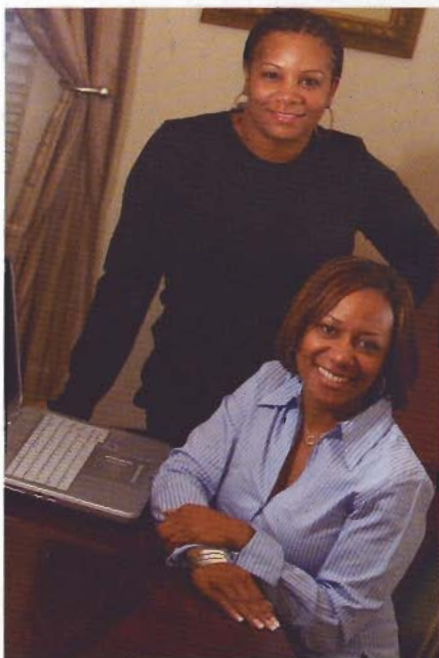
Byrd and Reed took their hard-earned lessons and started Byrd and Reed Estate Solutions, a Sacramento-based service that assists families in the estate dissolution process. "We know it is very difficult for the family to sift through their loved one's personal belongings and even let go of the property," Byrd says. "Our company manages many of the tasks of bringing closure to an estate such as planning, coordinating and notifying businesses or agencies of

changes. The family then has the freedom to focus on other important tasks."

Byrd and Reed say that the biggest challenge growing their business is educating the public about services that, while designed to facilitate, might feel threatening to families already coping with stress. "We can do as little or as much as the client requests, avoiding areas that the family would prefer to manage (on its own)."

While privacy issues can impede progress in liquidating an estate, Sacramento-based estate planning attorney Traci Potts suggests that good communication between families may be one of the most effective strategies to alleviate future stress: "I recommend that you discuss whether a will, trust or power of attorney for property management has been completed. If you are uncomfortable with discussing details, at least inform the person you have selected to act in your behalf and to tell (him or her) how to locate your documented wishes."

She advises discussing unequal distribution of estate assets with family members. "Often by discussing the plan with your family, you avoid a later lawsuit over the disposition of your estate." 



Estate dissolution consultants Kellaine Byrd and Yvonne Reed



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Appraisal::No::Laughing::Matter

"I just got wonderful news from my real-estate agent in Florida," comedian Milton Berle once joked. "They found land on my property."

Talk to anyone who is faced with appraising an estate, especially on a short-fused deadline, and it's hardly a laughing matter. On the other hand, taking a few proactive steps, says personal property appraiser Mandy Sabbadini, can save an estate time, money and unwanted attention from the IRS.

Rule No. 1 involves releasing the notion that estimating an estate's value can be a do-it-yourself affair. "A qualified personal property appraiser has formal education in appraisal theory, principles, procedures, ethics and law," explains Sabbadini. "The appraiser you hire should be familiar with the type of property you want appraised and know how to value it correctly." Additionally, she says, a professional appraiser understands the complexities of marketplace definitions used to determine appropriate values for appropriate uses.

Most importantly, don't wait too long to hire a professional personal- or

real-property appraiser. Estate tax laws use strict timelines to determine property value.

After you hire a qualified appraiser, consider the following advice from Sabbadini:

- **Invoke the "too many cooks" proverb:** Designate one family member to be present at the appraisal process and operate as the appraiser's single point of contact.
- **Save money by preparing the appraisal site.** Most appraisers charge by the hour, so it is cost-effective to unwrap and sort items that are packed away or in closets, attic rafters or storage units before the appointment. Group similar items of depreciable property together, such as everyday dishes, glassware and knickknacks. Be especially careful handling property that chips easily, such as crystal, fine china or porcelain, as such nicks can diminish its value.
- **Don't make snap judgments on the value of objects.** "Don't toss out or donate anything unless you are certain of its value."